



DEPARTMENT OF AGRICULTURE

Rural Housing Service

7 CFR Part 3565

[Docket No. RHS-23-MFH-0008]

Loan Guarantees Under the Section 538 Guaranteed Rural Rental Housing Program

AGENCY: Rural Housing Service, USDA.

ACTION: Notification and updates to previous rule document; Correction.

SUMMARY: The Rural Housing Service (RHS or Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), is correcting a rule document that published in the **Federal Register** on April 28, 2023, entitled, “Loan Guarantees Under the Section 538 Guaranteed Rural Rental Housing Program.” The purpose of the notification was to announce updates in the process of submitting complete applications, updating the names and contact information for key personnel and changes in priority scoring. The purpose of this notification is to correct inadvertent errors that were previously published in the rule document on April 28, 2023, in the **Federal Register**.

DATES: The effective date of the correction is July 19, 2023.

FOR FURTHER INFORMATION CONTACT: Jonathan Bell, Director, Processing and Report Review Branches, Production and Preservation Division, Multifamily Housing Programs, Rural Development, United States Department of Agriculture, via email: MFHprocessing1@usda.gov or telephone: (254) 742–9764. This number is not toll-free. Hearing or speech impaired persons may access that number by calling the Federal Information Relay Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION:

Correction

In the Federal Register of April 28, 2023, in FR Doc. 2023-08952 (88 FR 26221), make the following corrections:

(1) On page 26223 in the first column, under Section III, insert the following language after the first paragraph:

System for Award Management and Unique Entity Identifier.

(a) At the time of application, each applicant must have an active registration in the System for Award Management (SAM) before submitting its application in accordance with 2 CFR part 25. To register in SAM, entities will be required to obtain a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at <https://sam.gov/content/entity-registration>.

(b) Applicants must maintain an active SAM registration, with current, accurate and complete information, at all times during which it has an active Federal award or an application under consideration by a Federal awarding agency.

(c) Applicant must ensure they complete the Financial Assistance General Representations and Certifications in SAM.

(d) Applicants must provide a valid UEI in its application, unless determined exempt under 2 CFR 25.110.

(e) The Agency will not make an award until the applicant has complied with all SAM requirements including providing the UEI. If an applicant has not fully complied with the requirements by the time the Agency is ready to make an award, the Agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

(2) On page 26223 in the third column, correct the last paragraph to read as follows:

In compliance with Agency guidance to determine the lender's (participants) eligibility, the Agency is responsible for screening lenders in the Do Not Pay Portal for the following: 1) Credit Alert System (CAIVRS); 2) System for Award Management Entity Registration Records (SAMENT); 3) System for Award Management Exclusion Records-Restricted (SAM-EXCL-RES) and 4) Treasury Offset Program Debt Check (DBCK). If the lender is a non-profit, the Agency will also screen for Internal Revenue Service (IRS) Automatic Revocation of Exemption List (ARL). Screening will take place when the lender submits a complete application to the Agency. At the time of application, each applicant must have an active registration in the System for Award (SAM) before submitting its application in accordance with 2 CFR 25.200. To register in SAM, entities will be required to create a Unique Entity Identifier (UEI). Instructions for obtaining the UEI are available at <https://sam.gov/content/entity-registration>. Further information regarding SAM registration and the UEI can be found in this notice.

(3) On page 26224 in the first column, correct the first paragraph to read as follows:

Also, as part of the complete application package, the lender must provide a list of all the lender's principals (in accordance with the definition below) in the organization. This information will be used to screen the lender's principals in the Do Not Pay Portal for SAM-EXCL-RES at the application stage.

(4) On page 26225 in the first column, correct the second paragraph to read:

i. In accordance with 2 CFR 180.300, the lender must verify and provide documentation to the Agency that the borrowing entity and the borrowing entity's principals; and the borrower's management agent and the management agent's principals are not excluded or disqualified by:

A. Checking SAM Exclusions (<https://sam.gov>); or

B. Collecting a certification; or

C. Adding a clause or condition to the covered transaction.

(5) On page 26225 in the second column, delete the fifth bullet under (2) that reads:

“The lender must provide to the Agency a certification from the borrower that the borrower is not under any State or Federal order suspending or debarring participation in State or Federal loan programs and that the borrower is not delinquent on any nontax obligation to the United States.”

(6) On page 26226 in the third column, correct the first bullet to read as follows:

☐ In accordance with 2 CFR 180.300, the lender must verify and provide documentation to the Agency that the property management entity and the property management entity’s principals are not excluded or disqualified by:

- a. Checking SAM Exclusions (<https://sam.gov>); or
- b. Collecting a certification; or
- c. Adding a clause or condition to the covered transaction.

(7) On page 26227, in the second column, in the fourth complete paragraph, revise the first line to add “3” after *Priority* and before the emdash to be consistent with numbering sequence.

Cathy Glover,
Acting Administrator,
Rural Housing Service.